



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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INSPECTION REPORT

Partial _____ Complete XXX Exploration _____

Inspection Date: 06/27/2002 / Time: 8:40-11 AM

Date of Last Inspection: 05/29/2002

Mine Name: Centennial Project County: Carbon Permit Number: C/007/019

Permittee and/or Operator's Name: Andalex Resources Inc.

Business Address: P.O. Box 902, Price, Utah 84501

Company Official(s): Mr. Mike Glasson

State Official(s): Peter Hess Federal Official(s): None

Weather Conditions: Sunny, hot; 90's Fahrenheit

Type of Mining Activity: Underground Surface Prep Plant Other

Existing Acreage: Permitted 5179.49 Disturbed 35.27 Regraded _____ Seeded _____

Status: Active

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

- Substantiate the elements on this inspection by checking the appropriate performance standard.
 - For complete inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check N/A.
 - For partial inspections check only the elements evaluated.
- Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
- Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
- Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	EVALUATED	N/A	COMMENTS	NOV/ENF
1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. SIGNS AND MARKERS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. TOPSOIL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. SEDIMENT PONDS AND IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. OTHER SEDIMENT CONTROL MEASURES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. EFFLUENT LIMITATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. EXPLOSIVES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. NONCOAL WASTE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL ISSUES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. SLIDES AND OTHER DAMAGE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. CONTEMPORANEOUS RECLAMATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. REVEGETATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. SUBSIDENCE CONTROL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. CESSATION OF OPERATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. DRAINAGE CONTROLS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. OTHER TRANSPORTATION FACILITIES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. SUPPORT FACILITIES/UTILITY INSTALLATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS CHECK (4 th Quarter- April, May, June)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. AIR QUALITY PERMIT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. BONDING & INSURANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

INSPECTION REPORT
(Continuation Sheet)

PERMIT NUMBER: C/007/019

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(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

The permittee conducted the second quarter impoundment inspections for the site on June 19, 2002. There were no unstable conditions or signs of instability noted by Mr. Glasson during those inspections.

All ponds were noted as dry this day; no unusual conditions were observed.

4D. HYDROLOGIC BALANCE: WATER MONITORING

UPDES discharge monitoring reports for the site's four outfall locations were reviewed for the months of January, February, March, April, and May were reviewed for submittal. No outfalls occurred during the five-month period. All reports had been submitted in a timely fashion.

The permittee sampled well #1 on March 22, 2002. A review of the laboratory analysis sheet, as received from Commercial Testing and Engineering Company in Huntington, Utah, did not reveal any abnormalities in water chemistry. A cation / anion balance of -0.9% was reported which is well within acceptable error limits.

A review of the permittee's water monitoring field notes revealed that the following sites were reported as "No Flow": 7-1, 8-1, 12-1, 17-1, 17-2, S18-1., 18-2, 18-3, 18-4, S25-1, and 25-2.

To date, the permittee had received the water monitoring field notes for the following sites for the second quarter 2002: S-18-1, 18-3, 18-4, 18-2, (06/03/2002) and S25-1, 25-2 and 12-1 (06/18/2002). All sites were reported as "Dry".

8. NONCOAL WASTE

Several empty pallets were noted in the upper yard area and a length of two-inch steel pipe was observed lying in ditch DD-1 below the Pinnacle Mine bathhouse. Mr. Glasson agreed to have these items disposed of properly.

9. PROTECTION OF FISH, WILDLIFE, AND RELATED ENVIRONMENTAL VALUES

Product from a coal spill was observed adjacent to the Pinnacle truck loading facility. It appeared that the permittee had made an attempt to clean up the spill with a backhoe. More effort is needed to complete the job.

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(Continuation Sheet)

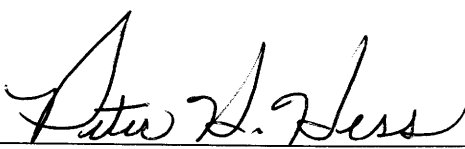
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16A. ROADS: CONSTRUCTION/MAINTENANCE/SURFACING

The permittee applied magnesium chloride to the site's frequently traveled access roads on June 15, 2002 to assist in the control of fugitive dust. The current weather conditions in the area include very low humidity's and hot temperatures. Additional watering will more than likely be needed to help the MgCl do what is necessary to control fugitive dust.

Inspector's Signature: _____


Peter H. Hess #46

Date: July 1, 2002

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas & Mining.

cc: James Fulton, OSM
Mike Glasson, Andalex
Price Field office
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